

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at Kent State University Tuscarawas
April 26, 2019, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Science and Technology Center, Kent State University Tuscarawas, 330 University Drive NE, New Philadelphia, Ohio, on Friday, April 26, 2019, at 9:00 a.m., pursuant to notice duly given all Directors, and the general public in accordance with law. This meeting was held jointly with the MWCD Board of Appraisers.

NOTE: An executive session was held at the beginning of the meeting as noted under Section 9, "Executive Session."

1. ROLL CALL

Directors present were: Mr. Gresh, Ms. Limbach, Mr. Maupin, Mr. Moorehead, and Mr. Sprang.

Mr. Moorehead, President of the Board of Directors, presided.

Present from MWCD staff were Scott Barnhart, Adria Bergeron, Jim Cugliari, John Hoopingarner, Brad Janssen, Michael Mahaffey, Karen Miller, Jonathan Mizer, Jim Pringle, Clayton Rico, Boris Slogar, Mark Swiger and Nate Wilson.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting were: Terry Fercana (*Environmental Design Group*); Bruce Robinson (*MWCD Development Advisory Committee*); Doug McClarnan (*Gambier resident*); and J.D. Long (*Harrison News Herald*).

3. APPROVAL OF MINUTES

On motion by Mr. Sprang, seconded by Mr. Gresh, the minutes of the March 22, 2019, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the three-month period ending March 31, 2019 (*copy on file*). The total operating revenue is \$12,130,150 with operating expenses of \$3,671,897 resulting in an excess of revenue over expenses of \$8,458,253 from operations compared to \$4,495,017 in 2018.

The overall operating revenues are up 49% from the prior year. The main factors are:

- Conservation – Forestry operations are up \$168,312 from 2018.
- Conservation – Oil and Gas is up approximately \$3.6 million or nearly double from 2018.
- Parks Revenue is up 6% from 2018. Some of the variance in this area is due to the timing of seasonal camper payments.

The overall operating expenses are flat in comparing the total expenses to 2018 and currently we have expended 22% of the budget.

Total capital improvement expenses are down slightly from 2018. To date we have expended \$5,217,353 in the Park Master Plan line item or down 8% from 2018.

We continue to be in line with budget expectations as we have concluded the first quarter of 2019. The total cash has decreased \$1,552,668.

For this reporting period, a Park and Marina Net Income Analysis report is included to provide more park and marina operations detail. This information will be provided on a quarterly basis.

On motion by Mr. Gresh, seconded by Mr. Sprang, the financial report was accepted as presented.

5. PAYMENT OF BILLS

On motion by Mr. Sprang, seconded by Mr. Gresh, the report of the payment of bills for the period ending March 31, 2019, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Ms. Limbach, seconded by Mr. Sprang, the assignments, cancellations, new leases, farm leases, mortgage consent and agreement cancellations, and mortgage consent and agreements were approved and execution by the proper officers of the MWCD authorized.

6.01b EASEMENT – SPECTRUM COMMUNICATIONS – ATWOOD

On motion by Mr. Sprang, seconded by Ms. Limbach, an easement with Spectrum Communications for an underground fiber optic service line, as recommended and set forth in the above memorandum, was approved.

6.01c EASEMENT – WASHINGTON ELECTRIC - SENECA

On motion by Mr. Gresh, seconded by Ms. Limbach, an easement with Washington Electric Cooperative to provide underground electric service to a new building at the Seneca Sportsman Club, as recommended and set forth in the above memorandum, was approved.

6.01d ATWOOD BEACH CONCESSION AGREEMENT

On motion by Ms. Limbach, seconded by Mr. Maupin, a concession agreement with Kathy's Cookies, Candies & Catering for operation of the Atwood Beach Concession, as recommended and set forth in the above memorandum, was approved.

6.01e TAPPAN CAMP STORE AND BEACH CONCESSION AGREEMENT

On motion by Mr. Sprang, seconded by Mr. Gresh, a concession agreement with Figurski's Catering and Figgy's Fuel Mart of Adena, for operation of the Tappan Lake Park Store and Beach Concession, as recommended and set forth in the above memorandum, was approved.

6.01f POTENTIAL LAND ACQUISITION – ATWOOD LAKE

On motion by Ms. Limbach, seconded by Mr. Gresh, based upon a recommendation by the Board of Appraisers, the Board of Directors authorized staff to attend an auction on May 11, 2019, and bid for the acquisition of a 150-acre tract, and if necessary, bid for the acquisition of an additional 16-acre tract. This recommendation is contingent upon the final receipt and evaluation by staff of the appraisal, and agreement by staff that the current value of the property, combined with the conservation potential of the property, merits a bid. If the bid is won, the purchase will be made with final documents reviewed and filed by legal counsel.

6.01g POTENTIAL LAND ACQUISITION – TAPPAN LAKE

On motion by Ms. Limbach, seconded by Mr. Maupin, based upon a recommendation by the Board of Appraisers, the Board of Directors authorized the staff to proceed with negotiating an appropriate purchase price for property currently owned by Jim Buxton at Tappan Lake.

6.01h LICENSE AGREEMENT WITH THE BTA FOR LIME KILN LAKE CAMPSITE

On motion by Mr. Gresh, seconded by Mr. Sprang, the Board authorized staff to negotiate and formalize a license agreement with the Buckeye Trail Association to designate a primitive campsite at the Lime Kiln Lake property in the Village of Zoar, as recommended and set forth in the above memorandum.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

On motion by Ms. Limbach, seconded by Mr. Sprang, a “then and now” certificate for invoices received prior to processing of a purchase order, as recommended and set forth in the above memorandum, was authorized.

6.02b AUDIT OF DISTRICT RECORDS

On motion by Ms. Limbach, seconded by Mr. Gresh, the Board acknowledged that the Office of the Auditor of State is conducting an audit of District records for the fiscal year ended December 31, 2018, at a fee not to exceed \$23,985, as recommended and set forth in the above memorandum.

6.02c BUDGET ADJUSTMENTS

On motion by Mr. Sprang, seconded by Mr. Gresh, a budget adjustment report for the first quarter ending March 31, 2018, as recommended and set forth in the above memorandum, was approved.

6.02d COMPREHENSIVE PROPERTY AND LIABILITY COVERAGE RENEWAL

On motion by Mr. Gresh, seconded by Mr. Sprang, renewal of the Comprehensive Property and Liability Coverage with The Ohio Plan Risk Management, Inc., for the period May 1, 2019, through May 1, 2020, as recommended and set forth in the above memorandum, was authorized.

6.03a HUMAN RESOURCES SUMMARY

On motion by Ms. Limbach, seconded by Mr. Sprang, human resources activities, as recommended and set forth in the above memorandum, were approved.

6.03b GROUP HEALTH PLAN REVIEW

On motion by Mr. Gresh, seconded by Mr. Sprang, renewal of the MWCD employee group health plan with AultCare for a one-year period effective June 1, 2019, with a 5% increase for both non-bargaining unit and bargaining unit member premiums, as recommended and set forth in the above memorandum, was approved.

6.04a CHARLES MILL PARK MAIN CAMPGROUND REDEVELOPMENT PHASE 3 – DESIGN CONTRACT

On motion by Mr. Gresh, seconded by Mr. Sprang, award of the design contract for the Charles Mill Park main campground redevelopment Phase 3 project in the amount of \$164,952, as recommended and set forth in the above memorandum, was approved.

6.04b SENECA PARK MARINA POINT CAMPGROUND REDEVELOPMENT PHASE 2 – DESIGN CONTRACT

On motion by Mr. Gresh, seconded by Ms. Limbach, award of the design contract for the Seneca Park Marina Point campground redevelopment Phase 2 project to GPD Group, Inc., in the amount of \$566,420.50, as recommended and set forth in the above memorandum, was approved.

6.04c TAPPAN MARINA RENOVATION AND SITE IMPROVEMENTS – DESIGN CONTRACT MODIFICATION

On motion by Mr. Gresh, seconded by Ms. Limbach, an additional amount of \$115,491.40 for the Tappan Marina Renovation and Site Improvements project design contract with Domokur Architects, increasing the total design contract fee to \$472,459.40, as recommended and set forth in the above memorandum, was approved.

6.04d PLEASANT HILL PARK AREA G CAMPGROUND – DESIGN CONTRACT

On motion by Mr. Maupin, seconded by Mr. Sprang, award of the design contract for the Pleasant Hill Park Area A Campground project to Stantec Consulting Services, Inc., in the amount of \$270,815.00, as recommended and set forth in the above memorandum, was approved. Mr. Moorehead abstained.

6.05 ONE-TIME DISPOSAL OF RECORDS – ENGINEERING

On motion by Ms. Limbach, seconded by Mr. Maupin, a request for a one-time disposal of records (*list on file*) and a record retention schedule for water sampling, as recommended and set forth in the above memorandum, were approved.

6.06 MARKETING PARTNERSHIP – THE GREAT CAMPER GIVEAWAY

On motion by Ms. Limbach, seconded by Mr. Sprang, a promotional agreement between General RV and MWCD for “The Great Camper Giveaway” to be held during the 2019 camping season, as recommended and set forth in the above memorandum, were approved.

6.07 2018 ANNUAL REPORT

On motion by Mr. Maupin, seconded by Mr. Gresh, preparation of the 2018 Annual Report of Operations for publication, as recommended and set forth in the above memorandum, was approved.

6.08 SEISMIC MONITORING STATION – CLENDENING

On motion by Mr. Maupin, seconded by Ms. Limbach, a five-year agreement with the Ohio Department of Natural Resources for a seismic monitoring station located at Clendening Reservoir, as recommended and set forth in the above memorandum, was approved.

6.09 MEMORANDUM OF UNDERSTANDING – U.S. FISH AND WILDLIFE

On motion by Mr. Gresh, seconded by Mr. Sprang, execution of a Memorandum of Understanding with the U.S. Fish and Wildlife Service, as recommended and set forth in the above memorandum, was approved. In addition, Mr. Janssen distributed two flyers: 1) Ohio Pollinator Habitat Initiative; and 2) Partners for Fish & Wildlife, Ohio.

6.10 ZOAR LEVEE AND DIVERSION DAM – DAM SAFETY MODIFICATION PROJECT

On motion by Ms. Limbach, seconded by Mr. Gresh, execution of the Project Partnership Agreement and related documentation for the Dam Safety Modification project at Zoar Levee and Diversion Dam, as recommended and set forth in the above memorandum, was authorized.

OTHER BUSINESS

BOARD OF APPRAISERS APPOINTMENT

Members of the Board received copies of four applications received for appointment to the Board of Appraisers. It is expected that a recommendation for appointment of an individual to the Board of Appraisers will be approved at the May meeting and be presented to the Conservancy Court when they meet on June 7, 2019.

JOHNNY APPLESEED AMPHITHEATER

Members of the Board received a copy of a letter dated April 16, 2019, from Attorney Clint M. Leibolt of Critchfield Critchfield & Johnston, Ashland, Ohio, relative to a proposal to lease the Johnny Appleseed Amphitheater.

STARK COUNTY TOWNSHIP ASSOCIATION

Members of the Board received a copy of letter dated April 11, 2019, from the Stark County Township Association relative to funding concerns. Staff will prepare an appropriate response to this correspondence.

7. REPORTS

7.01 MARINAS REPORT

Off-season administrative and planning work continues, with docks filling and lengthy waiting lists in place at both Tappan and Seneca marinas. Docks are in at all locations, with the exception of Seneca Lake, where water levels are still too low for dock installation.

Kent and Cindy Murray opened “Latitude 40 Restaurant at Tappan Lake Marina,” on April 16. They have put together a great staff and did a bit of remodeling as well. They are organized and committed, have been wonderful to work with, and are ready to go. A copy of their menu is attached (*copy on file*), and you can also check them out at www.latitude40.biz. The lake community is excited to have them on board.

Work on the master plan for Tappan Lake Marina is nearing completion. Domokur Architects have done an impressive job with site planning and building design. We will have exciting renditions and plans to share with you at the May Board meeting.

The second meeting with our Tappan Lake Marina Advisory Group was held the evening of March 28. Stefanie Smith, Domokur Architects, did a great job describing the design process and showed several draft plans and drawings. The group was extremely impressed and made comments like “you listened to what we said,” “that’s exactly what we wanted,” and even, “my property values just went up.” It is safe to say that the plans and designs far exceeded their expectations.

Keith Ott and Ohio Valley Boats hosted an Open House/Boat Show at Tappan Marina on March 15-16. Over 300 attended. The Murray’s provided the food, and Keith sold several new boats. It was a very successful event. Keith has also been involved in the planning for renovations to the sales/showroom building, and has committed to constructing a new service building on the north side of the marina site.

The Dockside Restaurant at Seneca Marina opened on April 11. Work on their new ice cream parlor is beginning to take shape. A new serving window allowing sales to customers on the adjacent outside deck was installed. Some basic electrical and plumbing work remains to be completed. Ice cream sales are expected to begin in May.

A multiple abutment project was completed at Leesville North Fork Marina, which allowed for the installation of new docks for the upcoming season. Staff from Tappan, Clendening, Seneca and Piedmont marinas teamed up to install 17 truckloads of docks in only two days. Staff scheduled and organized the entire effort, and did an amazing job. They are to be commended. The five docks will provide 180 new slips, and replace docks, that in some cases, may have been part of the original marina. Before and after pictures are attached (*copies on file*).

7.02 UTICA ROYALTY REVENUE REPORT

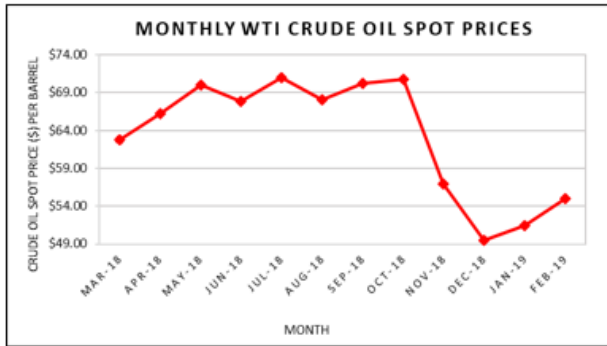
Mr. Janssen noted that Antero Resources have opted for non-renewal of their lease for gas and oil development at Piedmont Reservoir.

Utica royalty revenue is currently generated by 75 producing wells at Clendening, Seneca, and Leesville Reservoirs. A breakdown of the currently producing wells by operator and reservoir, along with the monthly royalty revenue can be seen on the attached page.

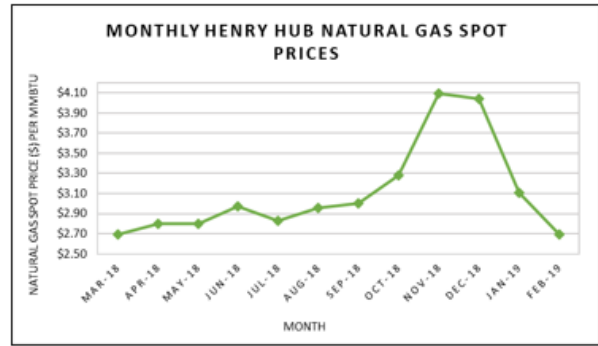
Utica royalties for **March 2019** totaled **\$2,174,282.01** which is a decline of 6% month-over-month from February 2019 (**\$2,318,733.79**).

The U.S. Energy Information Administration Prices Reports¹ (February 2019):

- The WTI Crude Oil Spot Price² for Feb 2019: **\$54.95** per barrel



- The Henry Hub Natural Gas Spot Price for Feb 2019: **\$2.69** per MMBTU



¹ The U.S. Energy Information Administration Prices Reports¹ (February 2019)

² WTI: Otherwise known as West Texas Intermediate is an oil benchmark and serves as a reference price for buyers and sellers of crude oil. One of the three primary crude benchmarks, WTI is associated with North American crude since this is where the market is. The New York Mercantile Exchange (NYMEX) oil futures contracts are based on WTI, and it has become one of the most common indexes when referencing the price of oil in North America.

³ Henry Hub Natural Gas: A natural gas benchmark commonly used as a pricing point for natural gas futures contracts on The New York Mercantile Exchange (NYMEX) and generally used as the primary price set for the North American natural gas market.

7.03 CONSERVATION REPORT

Forestry held the 2019 tree giveaway for MWCD Leesville and Tappan Lake cottage lessees on April 13th. The 2019 tree giveaway had a total of 54 participants this year. This event allowed a total of 846 trees to be planted around Tappan and Leesville Lake area. In addition, Forestry, along with other MWCD staff volunteers, planted 1,315 hardwoods consisting of 12 species on a reverting dredge disposal site along Addy Rd and SR 250. Forestry will continue to monitor the site’s growth and health.

Forestry continues to monitor a 41-acre pine sale at Atwood Lake. Ohio Forest Products has harvested approximately 22 acres to date. A wet and mild winter has slowed progress.

Phase I of the Tappan Lake Nutrient Reduction Initiative continues to make good progress. Under the board approved Memorandum of Understanding with Ohio University, water quality data has been formatted and uploaded to the OU watersheddata.com database. The participants recently met to discuss the next steps of analyzing this data to identify any data gaps.

Water Quality signage has been ordered in advance of the recreation season. This action item stems from the board approved Water Quality Response Plan for MWCD. Signage will initially be placed at the following sites: Atwood Park Beach, Clendening Marina, Charles Mill Park Beach, Piedmont Marina, Pleasant Hill Park Beach, Seneca Park Beach, Seneca Marina, Tappan Park Beach, and Tappan Marina. General information regarding water quality, contaminants, and tips to follow will be seen on DuraReader interpretive panels. Conservation staff will be meeting on-site with park and marina managers to discuss the placement of the signs. Additional water quality brochures will also be provided to the managers.

On April 16, Conservation staff attended a Cover Crop Field Day sponsored by Ashland, Holmes, and Wayne Soil and Water Conservation Districts. The event was held at the Carl Ayers Farm in Perrysville, Ashland

County, Ohio. Attendees toured the farm to learn more about utilizing cover crops and other agricultural methods to improve soil health. Through 2018 approximately 31,000 acres of cover crops have been planted in Ashland, Holmes, and Wayne counties alone, and over 100,000 acres of cover crops across 17 counties within the MWCD. MWCD provides funding through our partnership and Cooperative Agreement with the Ohio Department of Agriculture, Division of Soil and Water Conservation.

7.04 2019 GOALS UPDATE

Members of the Board received a copy of a report entitled, “2019 Goals – Progress Tracking” (*copy on file*). Mr. Hoopingarner reviewed the progress on the goals and staff members provided specific comments for their specific areas.

7.05 ENGINEERING REPORT

Projects in Design

- Charles Mill Lake Main Campground Redevelopment - Phase 3
- Atwood Lake Main Campground Improvements - Phase 2
- Atwood Lake Camp Area 4 Restroom Improvements
- Seneca Lake Marina Point Campground – Phase 2

Projects Under Construction

- **Charles Mill Lake Park Main Campground Redevelopment – Phase 1:** Site work has been completed. The new CXT restroom is scheduled for installation this week. Renovation work continues inside the existing restroom/shower building. This project has reached substantial completion.
- **Charles Mill Lake Park Main Campground Redevelopment – Phase 2:** Tree clearing and demolition is nearly complete. Sanitary sewer installation is beginning. This project involves the reconstruction of the existing middle section of the campground with 66 full-hookup RV campsites with gravel pads, 9 tent sites, renovations to the existing restroom/shower building, and a new CXT restroom/shower building. Substantial completion is scheduled for October 2019.
- **Piedmont Water Storage and Distribution Improvements:** Waterline installation is approximately 80% complete. The water storage tank pad preparation was underway when a slip developed last November behind the excavation due to saturated ground conditions and dispersive clays. The contractor’s work on the pad was stopped until design of the soil repair is completed. The contractor will construct a permanent (bin style) retaining wall under change order. Substantial completion has been extended until July 2019.
- **Pleasant Hill Cabins Phase 1:** Classical Construction, LLC is the contractor of record. Foundations are complete for all ten cabins. The first 3 cabins are dried-in with metal roofs, windows and doors installed. Electrical, mechanical and plumbing rough-in is underway on. Stacking of logs, framing and rough carpentry is underway on the next 3 cabins. Substantial completion is scheduled for February 2020.
- **Pleasant Hill: Campground Redevelopment Phase 2:** This project was awarded to Simonson Construction Services, Inc., and the contractor has completed clearing and demolition and has nearly completed grading operations. Underground utility installations are scheduled to start next week. Substantial completion scheduled for November 2019.
- **Seneca Lake Parkside Central and Woodlands Campgrounds:** Paving is being performed along with final restoration. The shower house is completed. Due to weather conditions, paving and landscaping could not be completed and the project is scheduled for substantial completion by May 2019.
- **Seneca Lake Marina Point Campground Redevelopment Phase 1:** Earthwork is complete and utilities are being installed. The picnic shelter footers have been installed. The project will provide 98 seasonal RV sites

with full utility hook-ups, a new CXT restroom and shower building, playground, basketball court, and picnic shelter. Substantial completion is scheduled for November 2019.

- **Tappan Lake Park Campground Renovation – Phase 2:** The water main extension and sanitary sewer extension continues. Concrete box culvert replacement is proceeding under Phase 2 construction. Campground traffic will be maintained while the new culvert is installed. Concrete stabilization of roads for camper traffic around existing Area 1 in complete. Paving is underway at these areas. Substantial completion is scheduled for November 2019.
- **Tappan Wastewater Treatment Plant and Main Lift Station Replacement:** Both upper and lower lagoon liners are installed. The existing WWTP remains operational during construction. AEP relocation is complete, sand filters complete, while grading is proceeding. Airline installation is underway with pump start up to proceed. AEP power to main lift station is functioning. Main lift station pumps were damaged during delivery and new pumps are being built. Substantial completion is delayed until June 2019.

Reservoir Dredging and Shoreline Stabilization (Ongoing)

Dredging Program

- **Seneca Lake:** Design work continues for the additional settling basin at the peninsula DMRA site, and construction is planned to begin late spring of 2019. Additional dredging will then be completed later this summer, once construction of the basin is complete.

Shoreline Program

- **Atwood Lake Park Peninsula Shoreline Stabilization:** This project is nearly complete, as the asphalt roadway repairs were finished this week. Installation of the dock abutment access steps, along with seeding and mulching of the disturbed areas, are the only remaining items to be completed.

USACE Projects Status

Mohawk Dam

- USACE is accelerating development of plans and specs so that the Project Partnership Agreement (PPA) will likely be signed in August with the project scheduled to be awarded in September.

Zoar Levee

- PPA is under review at USACE Division Office.
- Town hall meeting was held April 24.
- Archeological investigation to start in May.

Bolivar Dam

- Final accounting is complete and \$75,732.11 was refunded to MWCD.

Muskingum Section 729 Watershed Assessment

- Huntington staff are awaiting final approval of the report from HQ.

Dam Inspections

- Tappan/Clendening/Piedmont spillway structure were recently inspected. Clendening is in queue for H2S repairs to concrete outlet channel.

7.05 IMMEDIATE OR PENDING LITIGATION

No report.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

On motion by Ms. Limbach, seconded by Mr. Sprang, the report of the payment of bills for the period ending March 31, 2019, for the Chippewa Subdistrict, was approved as presented.

8.02 BUDGET ADJUSTMENT – BLACK FORK SUBDISTRICT

On motion by Mr. Sprang, seconded by Ms. Limbach, a budget adjustment for the Black Fork Subdistrict for the first quarter ending March 31, 2019, as recommended and set forth in the above memorandum, was approved.

8.03 BUDGET ADJUSTMENT – CLEAR FORK SUBDISTRICT

On motion by Mr. Sprang, seconded by Ms. Limbach, a budget adjustment for the Clear Fork Subdistrict for the first quarter ending March 31, 2019, as recommended and set forth in the above memorandum, was approved.

8.04 REPORT TO POLITICAL SUBDIVISIONS – CHIPPEWA SUBDISTRICT

Mr. Pringle reported that four political subdivisions requested a change in the jurisdictional boundary and/or a change in the Official Plan of the Chippewa Subdistrict. That request was addressed at the Board's regular meeting on March 22, 2019. After full discussion, the Board denied the request. Mr. Pringle was directed to report the Board's action to the four political subdivisions, after the March minutes were approved by the Board. The Board received a copy of the response prepared by Mr. Pringle (*copy on file*). On motion by Ms. Limbach, seconded by Mr. Gresh, the Board authorized the distribution of said correspondence.

9. EXECUTIVE SESSION

On motion by Mr. Maupin, seconded by Ms. Limbach, the Board of Directors entered executive session at 9:05 a.m. to discuss matters related to ORC §121.22 (G) (2). On roll call: Mr. Gresh-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Moorehead-yes; and Mr. Sprang-yes. The executive session ended at 10:21 a.m. This executive session was held jointly with the Board of Appraisers. The Board of Directors then entered open session.

10. ADJOURN

There being no further business, on motion by Ms. Limbach, seconded by Mr. Maupin, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, May 17, 2019, at 9:00 a.m. at the MWCD Annex Building.